

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re

THE COMMONWEALTH OF PUERTO RICO, THE
PUERTO RICO SALES TAX FINANCING
CORPORATION, THE PUERTO RICO HIGHWAYS
AND TRANSPORTATION AUTHORITY, THE
EMPLOYEES RETIREMENT SYSTEM OF THE
GOVERNMENT OF THE COMMONWEALTH OF
PUERTO RICO, THE PUERTO RICO ELECTRIC
POWER AUTHORITY, AND THE PUERTO
RICOPUBLIC BUILDINGS AUTHORITY, THE
FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

Debtors.¹

PROMESA
TITLE III

No. 17-BK-03283 (LTS)

(Jointly Administered)

**VERIFIED STATEMENT IN COMPLIANCE WITH REQUIREMENTS UNDER THE
PUERTO RICO RECOVERY ACCURACY IN DISCLOSURES ACT, PUB. L. NO. 117-82
("PRRADA") OF BROWN RUDNICK LLP, CLAIMS COUNSEL TO THE FINANCIAL
OVERSIGHT AND MANAGEMENT BOARD, ACTING THROUGH ITS SPECIAL
CLAIMS COMMITTEE**

TO THE HONORABLE LAURA TAYLOR SWAIN
UNITED STATES DISTRICT COURT JUDGE:

Brown Rudnick LLP ("Brown Rudnick"), claims counsel to the Financial Oversight and
Management Board, acting through its Special Claims Committee (the "Oversight Board") as
representative of the Commonwealth of Puerto Rico, the Puerto Rico Sales Tax Financing

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK- 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17- BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Corporation, the Puerto Rico Highways and Transportation Authority, the Employees Retirement System of the Government of the Commonwealth of Puerto Rico, the Puerto Rico Electric Power Authority, the Puerto Rico Public Buildings Authority (collectively, the “Debtors”) in the above-captioned title III cases (the “Title III Cases”) pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² hereby submits this *Verified Statement* pursuant to the disclosure requirements set forth by the *Puerto Rico Recovery Accuracy in Disclosures Act*, Pub. L. No. 117-82 (hereinafter “PRRADA”) and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure, in accordance with this Honorable Court’s directive in its *Order Approving List of Material Interested Parties Pursuant to the Puerto Rico Recovery Accuracy in Disclosures Act* (DN 20467). In support of this *Verified Statement*, Brown Rudnick respectfully sets forth the following:

A. Retention of Brown Rudnick LLP

1. Brown Rudnick is an international law firm with its offices located in New York and Boston, among other locations. Brown Rudnick has significant experience representing parties in bankruptcy actions and litigations in many large, complex cases. Brown Rudnick has represented principal parties in interest, including official and *ad hoc* committees and debtors, in both in and out-of-court proceedings in some of the largest and most complex restructurings of all time.

2. As set forth in the Independent Contract Services Agreement dated July 1, 2019 (the “Services Agreement”),³ Brown Rudnick was retained by and authorized to represent the Oversight Board, acting through its Special Claims Committee, to assist the Special Claims Committee regarding investigation and pursuit of potential claims.

² PROMESA has been codified in 48 U.S.C. §§ 2101-2241.

³ A copy of the Services Agreement is available on the Oversight Board’s website at <http://oversightboard.pr.gov/documents/>.

3. In accordance with the Services Agreement, Brown Rudnick's hourly rate for all attorneys is \$790, \$270 for all paralegals and other non-lawyer staff, and \$90 for litigation analysts.

B. Professional Services rendered by Brown Rudnick LLP

4. Since its retention by the Special Claims Committee, Brown Rudnick has acted at the request of the Special Claims Committee and, consistent with its mandate and directions therefrom, has investigated, prosecuted, maintained and otherwise preserved the value of litigation actions possessed by the Debtors in the Title III cases. Broadly speaking, Brown Rudnick has (a) investigated and pursued claims against professional service providers for alleged misconduct relating to the issuance of debt, and transferred such claims to the Avoidance Actions Trust under the recently confirmed Commonwealth plan of adjustment (the "Plan"); (b) raised challenges to billions of dollars of bond issuances and payments and negotiated resolutions of such challenges in connection with the Plan; (c) investigated, prosecuted, and resolved claims against hundreds of parties to business contracts with the Debtors, and facilitated transfer or litigation recoveries and remaining claims to the Avoidance Actions Trust; and (d) investigated and pursued claims against certain fuel suppliers and laboratories relating to an alleged scheme of sales and testing of legally non-compliant fuel oil, which investigation and litigation is ongoing.

5. In sum, the services rendered by Brown Rudnick have been and continue to be necessary and beneficial to the Oversight Board, have been and continue to be reasonable in light of the value of such services to the Oversight Board, and have been and continue to be performed with skill and expertise.

C. Connections of Brown Rudnick to Material Interested Parties pursuant to *Amended List of Material Interested Parties* approved at DN 20467.

6. As a general matter, and as described in the Services Agreement, Brown Rudnick has represented, currently represents, and may represent in the future certain of the Material Interested

Parties (or their affiliates) as clients or as a member of an ad hoc group or official committee, in matters unrelated to the Debtors.

7. Brown Rudnick hereby certifies that, to the best of its knowledge, it has no connections with the Material Interested Parties except as otherwise set forth in the Services Agreement, which is incorporated by reference herein, and as identified in Schedule 1 attached hereto. Brown Rudnick further certifies that it is listed as a Retained Professional.

Conclusion

WHEREFORE, Brown Rudnick respectfully requests that this Honorable Court TAKE NOTICE of the present *Verified Statement* submitted in compliance with the disclosure requirement set forth in the *Puerto Rico Recovery Accuracy in Disclosures Act*, Pub. L. No. 117-82, as well as with Rule 2014(a) of the Federal Rules of Bankruptcy Procedure.

Boston, Massachusetts
Dated: May 16, 2022

/s/ Sunni P. Beville

Sunni P. Beville, Esq.

BROWN RUDNICK LLP

Sunni P. Beville, Esq. (admitted *pro hac vice*)

Tristan G. Axelrod, Esq. (admitted *pro hac vice*)

One Financial Center

Boston, MA 02111

Tel: (617) 856-8200

sbeville@brownrudnick.com

taxelrod@brownrudnick.com

Stephen A. Best, Esq. (admitted *pro hac vice*)

601 Thirteenth Street NW, Suite 600

Washington, D.C. 20005

sbest@brownrudnick.com

*Counsel to the Financial Oversight and Management Board,
acting through the Special Claims Committee*

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Schedule 1
Brown Rudnick LLP PRRADA Disclosures

Current Representations	
<i>Schedule 8(D) - Material Creditors of PREPA</i>	Amtrust Financial Services Inc.
<i>Schedule 8(D) - Material Creditors of PREPA</i>	Angelo Gordon & Co., L.P.
<i>Schedule 7(D) - Plan Support Agreement Parties – PREPA; Schedule 8(D) - Material Creditors of PREPA</i>	Bluemountain Capital Management LLC n/k/a Assured Investment Management LLC
<i>Schedule 9(A) - Inactive Claims - Commonwealth; Schedule 9(E) - Inactive Claims - HTA; Schedule 7(A) - Plan Support Agreement Parties - Commonwealth; Schedule 7(C) - Plan Support Agreement Parties - PBA; Schedule 8(D) - Material Creditors of PREPA</i>	Brigade Capital Management LP
<i>Schedule 7(D) - Plan Support Agreement Parties – PREPA; Schedule 8(A) - Material Creditors of the Commonwealth; Schedule 8(B) - Material Creditors of ERS</i>	Centerbridge Partners LP
<i>Schedule 7(D) - Plan Support Agreement Parties – PREPA; Schedule 8(A) - Material Creditors of the Commonwealth; Schedule 8(B) - Material Creditors of ERS</i>	Centerbridge Special Credit Partners III-FLEX LP
<i>Schedule 7(A) - Plan Support Agreement Parties - Commonwealth; Schedule 7(E) - Plan Support Agreement Parties - HTA</i>	Davidson Kempner Capital Management LLC
<i>Schedule 7(A) - Plan Support Agreement Parties - Commonwealth; Schedule 7(B) - Plan Support Agreement Parties - ERS; Schedule 7(D) - Plan Support Agreement Parties - PREPA; Schedule 9(F) - Inactive Claims COFINA</i>	Goldentree Asset Management LP
<i>Schedule 7(A); Schedule 7(B); Schedule 8(A), Schedule 8(B); Schedule 8(D); Schedule 8(E); Schedule 9(F)</i>	Monarch Alternative Capital LP
<i>Schedule 7(A) - Plan Support Agreement Parties - Commonwealth; Schedule 7(C) - Plan Support Agreement Parties - PBA</i>	Whitebox Advisors LLC
<i>Schedule 7(A) - Plan Support Agreement Parties - Commonwealth; Schedule 7(C) - Plan Support Agreement Parties - PBA</i>	Taconic Capital Advisors LP
Former Representations	
<i>Schedule 7(B): Plan Support Agreement Parties – ERS; Schedule 7(D): Plan Support Agreement Parties – PREPA; Schedule 8(A): Material Creditors of the Commonwealth; Schedule 8(D): Material Creditors of PREPA; Schedule 9(A): Inactive Claims – Commonwealth; Schedule 9(B): Inactive Claims – ERS; Schedule 9(D): Inactive Claims – PREPA; Schedule 9(E): Inactive Claims – HTA; Schedule 9(F): Inactive Claims – COFINA</i>	Silver Point Capital LP
<i>Schedule 7(A) - Plan Support Agreement Parties - Commonwealth; Schedule 7(B) - Plan Support Agreement Parties - ERS</i>	Whitebox Advisors LLC

Schedule 2

Brown Rudnick LLP PRRADA Disclosures (Affiliates)

Current Representations	
<i>Schedule 8(A) - Material Creditors of the Commonwealth; Schedule 9(A) - Inactive Claims - Commonwealth</i>	AT&T
<i>Schedule 8(A) - Material Creditors of the Commonwealth; Schedule 9(A) - Inactive Claims - Commonwealth</i>	AT&T Mobility
<i>Schedule 7(B): Plan Support Agreement Parties – ERS; Schedule 8(A): Material Creditors of the Commonwealth; Schedule 9(A): Inactive Claims – Commonwealth; Schedule 9(E): Inactive Claims – HTA; Schedule 9(F): Inactive Claims – COFINA</i>	Bank of New York Mellon as Trustee of the Arrowstreet US Group Trust
<i>Schedule 7(B): Plan Support Agreement Parties – ERS; Schedule 8(A): Material Creditors of the Commonwealth; Schedule 9(A): Inactive Claims – Commonwealth; Schedule 9(E): Inactive Claims – HTA; Schedule 9(F): Inactive Claims – COFINA</i>	Bank of New York Mellon as Trustee of the Arrowstreet International Equity ACWI EX US Fund
<i>Schedule 7(B): Plan Support Agreement Parties – ERS; Schedule 8(A): Material Creditors of the Commonwealth; Schedule 9(A): Inactive Claims – Commonwealth; Schedule 9(E): Inactive Claims – HTA; Schedule 9(F): Inactive Claims – COFINA</i>	Bank of New York Mellon as Trustee of the Arrowstreet Global Equity - Alpha Extension Fund
<i>Schedule 7(B): Plan Support Agreement Parties – ERS; Schedule 8(A): Material Creditors of the Commonwealth; Schedule 9(A): Inactive Claims – Commonwealth; Schedule 9(E): Inactive Claims – HTA; Schedule 9(F): Inactive Claims – COFINA</i>	Bank of New York Mellon as Trustee of the Arrowstreet International Equity - Alpha Extension Fund II
<i>Schedule 7(B): Plan Support Agreement Parties – ERS; Schedule 8(A): Material Creditors of the Commonwealth; Schedule 9(A): Inactive Claims – Commonwealth; Schedule 9(E): Inactive Claims – HTA; Schedule 9(F): Inactive Claims – COFINA</i>	Bank of New York Mellon as Trustee of the Arrowstreet Global Equity - Alpha Extension Fund II
<i>Schedule 7(B): Plan Support Agreement Parties – ERS; Schedule 8(A): Material Creditors of the Commonwealth; Schedule 9(A): Inactive Claims – Commonwealth; Schedule 9(E): Inactive Claims – HTA; Schedule 9(F): Inactive Claims – COFINA</i>	Bank of New York Mellon as Trustee of the Arrowstreet International Equity - EAFE Alpha Extension Fund
<i>Schedule 7(A) - Plan Support Agreement Parties - Commonwealth; Schedule 7(B) - Plan Support Agreement Parties - ERS</i>	ON Blackrock Advantage International Equity Portfolio
<i>Schedule 7(A) - Plan Support Agreement Parties - Commonwealth; Schedule 7(B) - Plan Support Agreement Parties - ERS</i>	Ohio National Fund Inc. - ON Blackrock Advantage International Equity Portfolio
<i>Schedule 7(A) - Plan Support Agreement Parties - Commonwealth; Schedule 7(B) - Plan Support Agreement Parties - ERS</i>	Blackrock IEQ
<i>Schedule 7(D) - Plan Support Agreement Parties – PREPA</i>	MassMutual Select Funds
<i>Schedule 7(D) - Plan Support Agreement Parties – PREPA</i>	MassMutual Premier Funds
<i>Schedule 8(D) - Material Creditors of PREPA</i>	Marathon Asset Management (Ireland) Limited
<i>Schedule 8(D) - Material Creditors of PREPA</i>	Marathon Asset Management LLP n/k/a Nesna LLP

<i>Schedule 8(A) - Material Creditors of the Commonwealth</i>	Nuveen/TIAA
<i>Schedule 7(B) - Plan Support Agreement Parties - ERS; Schedule 8(A) - Material Creditors of the Commonwealth; Schedule 8(B) - Material Creditors of ERS</i>	Oaktree Capital Management, LP
<i>Schedule 7(D): Plan Support Agreement Parties – PREPA; Schedule 8(D): Material Creditors of PREPA; Schedule 9(A): Inactive Claims – Commonwealth; Schedule 9(F): Inactive Claims – COFINA</i>	Oppenheimer Master Loan Fund, LLC
<i>Schedule 7(D): Plan Support Agreement Parties – PREPA; Schedule 8(C): Material Creditors of PBA; Schedule 8(D): Material Creditors of PREPA; Schedule 9(A): Inactive Claims – Commonwealth; Schedule 9(F): Inactive Claims – COFINA</i>	Invesco Advisers Inc.
<i>Schedule 7(A): Plan Support Agreement Parties – Commonwealth; Schedule 7(B): Plan Support Agreement Parties – ERS; Schedule 8(C): Material Creditors of PBA; Schedule 9(A): Inactive Claims – Commonwealth</i>	Sculptor Capital Management Inc.
<i>Schedule 7(A): Plan Support Agreement Parties – Commonwealth; Schedule 7(B): Plan Support Agreement Parties – ERS; Schedule 7(D): Plan Support Agreement Parties – PREPA; Schedule 9(F): Inactive Claims – COFINA</i>	GoldenTree Asset Management LP
<i>Schedule 7(A): Plan Support Agreement Parties – Commonwealth; Schedule 7(B): Plan Support Agreement Parties – ERS; Schedule 9(A): Inactive Claims – Commonwealth; Schedule 9(F): Inactive Claims – COFINA</i>	Taconic Capital Advisors UK Limited LLP
<i>Schedule 8(D) - Material Creditors of PREPA; Schedule 9(F) - Inactive Claims COFINA</i>	Wells Fargo Funds Trust, on behalf of Wells Fargo Diversified International Fund and Wells Fargo Intrinsic World Equity Fund
<i>Schedule 8(D) - Material Creditors of PREPA; Schedule 9(F) - Inactive Claims COFINA</i>	Wells Fargo Master Trust
<i>Schedule 8(D) - Material Creditors of PREPA; Schedule 9(F) - Inactive Claims COFINA</i>	Wells Fargo Master Trust on behalf of Wells Fargo International Growth Portfolio
Former Representations	
<i>Schedule 8(D) - Material Creditors of PREPA</i>	AES Corporation
<i>Schedule 8(D) - Material Creditors of PREPA</i>	AES Puerto Rico